GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3612
ANSWERED ON:17.04.2008
FDI IN AVIATION INDUSTRY
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Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government is planning to increase the FDI limit in certain specific sectors of the aviation industry including maintenance, repair and overhaul facilities, pilot training schools and cargo operations;

(b) if so, the details thereof;

(c) whether the FDI limits in the passenger segment would remain the same till the time the indsutry is mature enough;

(d) if so, the details thereof; and

(e) the time by which the final decision is likely to be taken in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION(SHRI PRAFUL PATEL)

(a)to (e) : The Government has taken decision on Policy for Foreign Direct Investment (FDI) in Civil Aviation Sector as under:-

Airports:

Greenfield Projects: FDI upto 100% is allowed under the automatic route Air Transport Services:

(i) Scheduled Air Transport Service/Domestic Scheduled Passenger Airline−FDI upto 49% and investment by Non-resident Indians(NRI) upto 100% allowed on the automatic route.

(ii): Non-Scheduled Air Transport Service/ Non-Scheduled airlines,Chartered airlines and Cargo airlines: FDI upto 74% and investment by Non-resident Indian(NRI) upto 100% allowed on the automatic route.

(iii) Helicopter services/seaplane services requiring DGCA approval − FDI upto 100% allowed on the automatic route.

Other services under Civil Aviation Sector:

(i) Ground Handling Services: FDI upto 74% and investment by Non-resident Indians(NRI) upto 100% allowed on the automatic route.This will be subject to sectoral regulations and security clearance.

(ii): Maintenance and Repair organizations; flying training Institutes;and technical training institutions−FDI upto 100% allowed on the automatic route.